

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: December 2, 2003

SUBJECT: Fiscal Impact Statement: "Clinical Laboratory Amendment Act of 2003"

REFERENCE: Draft Legislation – Bill Number Not Available

Conclusion

Funds are sufficient in the FY 2004 through FY 2007 budget and financial plan to implement the proposed legislation because regulatory fees would be assessed to cover any costs that would not be absorbed with existing resources.

Background

The proposed legislation would include a "physician office" or "health care facility laboratory" within the definition of "clinical laboratory" and make such facilities subject to the amended two-year licensing requirements. The bill would grandfather existing labs for one year after the new rules are issued. In addition, the legislation would extend the license term from one year to two years and revise definitions affecting laboratory regulation and staffing.

Financial Plan Impact

The Department of Health (DOH) advises that the department would finance the proposed legislation through fees that would be assessed for regulatory activities. DOH would promulgate regulations to require the fees to be assessed based on the complexity, scope and category of tests each lab performs. DOH plans to assess fees for licensure, monitoring and application fees that would be set to cover the additional administrative costs and activities of the legislation.